



Registration of a Charge

Company name: **THOMAS STREET BUSINESS CENTRE LIMITED**

Company number: **08093359**



X60SG8TD

Received for Electronic Filing: **22/02/2017**

Details of Charge

Date of creation: **21/02/2017**

Charge code: **0809 3359 0003**

Persons entitled: **HSBC BANK PLC**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

MICHAEL MEDICI, FOR AND ON BEHALF OF IRWIN MITCHELL LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8093359

Charge code: 0809 3359 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st February 2017 and created by THOMAS STREET BUSINESS CENTRE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd February 2017 .

Given at Companies House, Cardiff on 23rd February 2017

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 21 February 2017

THOMAS STREET BUSINESS CENTRE LIMITED
as Chargor

HSBC BANK PLC
as Security Agent

DEBENTURE

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DATED 21 February 2017

PARTIES

- (1) **THOMAS STREET BUSINESS CENTRE LIMITED** a company incorporated in England & Wales (registered number 08093359) whose registered office is at Central House, 47 St Paul Street, Leeds, England, LS1 2TE (the "**Chargor**")
- (2) **HSBC BANK PLC** as security agent for the Secured Parties (the "**Security Agent**")

BACKGROUND

- (A) The Finance Parties have agreed to advance or to continue to advance monies or otherwise arrange credit or afford other financial facilities to the Chargor on the security created by this Deed.
- (B) The Chargor has agreed to charge certain of its assets as security to the Security Agent as set out in this Deed to secure the payment and discharge of the Secured Liabilities.

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Accounts" has the meaning ascribed to it in the Facility Agreement.

"Act" means the Law of Property Act 1925.

"Borrower" means The Boutique Workplace Company Limited registered in England and Wales (company number 09411671)

"Charged Assets" means each and all of the assets, property, undertaking and other interests from time to time assigned or charged or intended to be assigned or charged by this Deed and the subject matter of each of them.

"Charged Property" means any freehold or leasehold property from time to time charged pursuant to this Deed.

"Disposal Proceeds" means all capital monies or other sums or other consideration paid or payable in respect of the disposal of the Chargor's interest in all or any part of the Property and/or any Headlease.

"Facility Agreement" means a facility agreement dated 1 December 2015 and made between amongst others the Security Agent (1) and the Borrower (2), as amended by an amendment and consent letter dated on or about the date of this Deed and made between amongst others the Security Agent (1) and the Borrower (2), and any agreement entered into under or supplemental to it or amending, restating or novating it.

"Fair Market Value" means "the fair value of the relevant Investment at the time of determination, as reasonably determined by the Security Agent in accordance with the generally accepted accounting principles (including IFRS) identified by the Security Agent as most appropriate, based on the most recent annual accounts of the company in which the Investment is held adjusted as considered necessary by

the Security Agent to reflect real economic value with the assistance of an independent auditor acting as an expert, not as an arbitrator, designated by the Security Agent, which valuation by the Security Agent shall be conclusive and binding, save in case of manifest error;

"Finance Document" shall have the meaning ascribed to it by the Facility Agreement.

"Finance Party" shall have the meaning ascribed to it by the Facility Agreement.

"Headlease" shall have the meaning given to it in the Facility Agreement.

"Hedging Agreement" means any currency swap or interest rate hedging arrangement in relation to currency fluctuations or interest payments entered into or to be entered into by the Chargor.

"Insurance Policy" means any policy of insurance in which the Chargor may at any time have an interest.

"Intellectual Property" means any rights in respect of any patent, copyright, trade mark, trade name, service mark, invention, design, knowhow, confidential information, domain names or any other kind of intellectual property whether registered or unregistered and any registration or application relating to any of the foregoing.

"Investments" means the existing or future interest of the relevant person in:

- (a) any stocks, shares, bonds, units or any form of loan or other capital of or in any legal entity; and
- (b) any warrant or other right to acquire any such investment,

in each case, including any income, offer, right or benefit in respect of any such investment.

"Licences" means each and all of the grants, authorities, licences, quotas, certificates and justices and excise licences now or in the future attached to the Charged Assets and/or the business of the Chargor.

"Occupational Lease" shall have the meaning given to it in the Facility Agreement.

"Party" means a party to this Deed.

"Permitted Security" means:

- (a) any Security arising under the Security Documents;
- (b) any liens arising by operation of law and in the ordinary course of the relevant person's business and securing obligations not more than 30 days old;
- (c) any Security created with the prior written consent of the Agent; and
- (d) any Security which is to be unconditionally and irrevocably discharged in full on or prior to the first Utilisation Date.

"Property" means the Property details of which are set out in Schedule 1 (*The Property*) including all:

- (a) land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future;
- (b) buildings, fixtures (including trade fixtures) and fixed plant and machinery and other structures now or in future on it; and
- (c) easements, access-rights, rights of way, wayleaves and rights attaching to it.

"Receiver" means any one or more receiver, administrator or receiver and manager or administrative receiver appointed by the Security Agent under this Deed (whether sole, joint and/or several and including any substitute).

"Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) all monies and proceeds paid or payable in respect of that asset,

both present and future (including all rights against any trustee, nominee, fiduciary or clearing system).

"Relevant Contracts" means each and all of the following both present and future:

- (a) each contract in respect of any disposal of any Charged Asset;
- (b) each Headlease;
- (c) each Occupational Lease;
- (d) the Licences; and
- (e) all other agreements, in which the Chargor has an interest,

in each case, including any guarantees or sureties entered into in respect of them.

"Rental Income" shall have the meaning given to it in the Facility Agreement.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Party to any Secured Party under each Finance Document.

"Secured Party" shall have the meaning ascribed to it by the Facility Agreement.

"VAT" means:

- (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

1.2 Construction

- 1.2.1 Unless the contrary intention is expressed, all defined terms in the Facility Agreement have the same meaning here.
- 1.2.2 The construction provisions set out at clause 1.2 (*Construction*) of the Facility Agreement shall apply equally to this Deed.
- 1.2.3 If any provision of this Deed shall conflict with any term of the Facility Agreement then the relevant term of the Facility Agreement shall prevail.
- 1.2.4 Clauses 17 (Bank Accounts), 32 (Set-off) and 33 (Notices) of the Facility Agreement are incorporated in this Deed in each case as if set out in full and with necessary changes.

1.3 Disposition of Property

The terms of any other Finance Document and of any side letters between the parties to this Deed are incorporated into each Finance Document to the extent required for the purported disposition of property contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 COVENANT FOR PAYMENT

2.1 Covenant to pay

The Chargor covenants with the Security Agent that it will:

- (a) on demand, pay and discharge each and all of the Secured Liabilities when due; and
- (b) indemnify and keep each Secured Party indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any covenant or other obligation of the Chargor to that Secured Party.

2.2 Survival of obligations

The payment obligations of the Chargor under the Finance Documents shall survive the enforcement of the whole or any part of the Charged Assets.

3 SECURITY

3.1 General

All the security created under this Deed is created in favour of the Security Agent as continuing security for the payment and discharge of the Secured Liabilities with full title guarantee.

3.2 Mortgage

The Chargor charges by way of legal mortgage:

- (a) the Property; and
- (b) any other freehold or leasehold property (save for any Headlease where the terms of such Headlease do not permit the Chargor to grant security over such Headlease) now vested in the Chargor.

3.3 Fixed charge

The Chargor charges by way of fixed charge each of the following including all rights of enforcement of the same:

- (a) its interest in any freehold or leasehold property (save for any Headlease where the terms of such Headlease do not permit the Chargor to grant security over such Headlease) acquired after the date of this Deed;
- (b) its interest in the Relevant Contracts (save for any Headlease where the terms of such Headlease do not permit the Chargor to grant security over such Headlease);
- (c) all fixtures, fittings, plant, machinery, manuals and other chattels present and future in respect of any Charged Property and all guarantees and warranties in respect of any of them;
- (d) all easements, licences and other rights present and future relating to the Charged Property in which it has an interest;
- (e) the Accounts and any other accounts of the Chargor present and future to the extent in either case that they are maintained with the Security Agent or any other Secured Party and the debts represented by them;
- (f) the Investments;
- (g) its Intellectual Property present and future;
- (h) if applicable its uncalled capital;
- (i) its goodwill; and
- (j) all Related Rights in respect of the above.

3.4 Assignment

The Chargor assigns absolutely subject to the provisions of Clause 10 (*Discharge*) each of the following including all rights of enforcement of the same:

- (a) all Rental Income present and future;
- (b) the Disposal Proceeds;
- (c) all book debts and other debts present and future payable to the Chargor;
- (d) the Accounts and any other accounts of the Chargor present and future not charged by Clause 3.3 (*Fixed charge*) and the debts represented by them;
- (e) all monies payable to it under any Insurance Policies;

- (f) the benefit of the copyright and similar rights vested in it, present and future, in connection with any Charged Property;
- (g) all causes of action and other rights and remedies in which it has an interest at any time;
- (h) all monies payable to it under any Hedging Agreement present and future;
- (i) the benefit of any monies paid or payable to it from time to time by way of compensation, endowment, gift, grant or otherwise;
- (j) each Transaction Document (other than the Finance Documents);
- (k) its interest from time to time in any VAT recoveries; and
- (l) all Related Rights in respect of the above.

3.5 Floating charge

The Chargor charges by way of floating charge all its assets, property and undertaking both present and future (including any Headlease).

3.6 Application of charges

The charges created under this Deed expressed to be:

- (a) fixed charges, shall only apply to the extent that they create fixed security; and
- (b) floating charges, shall not apply to any Charged Asset which is the subject of any fixed security under this Deed.

4 CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation by notice

The Security Agent may at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.5 (*Floating charge*) with immediate effect into a fixed charge as regards any Charged Assets specified in the notice if:

- (a) a Default is continuing; or
- (b) the Security Agent considers that any of the Charged Assets may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of legal process.

4.2 Automatic crystallisation

Notwithstanding Clause 4.1 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 3.5 (*Floating charge*) will convert automatically with immediate effect into fixed charges as regards all the assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security (other than Permitted Security) over any Charged Assets;
- (b) any steps are taken (including the giving of notice, the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or receiver in

respect of any Chargor or over all or any part of its assets, or if such person is appointed;

- (c) any other floating charge over any of the Charged Assets crystallises; or
- (d) in any other circumstances prescribed by law.

5 PERFECTION OF SECURITY

5.1 Insolvency Act

For the purposes of paragraph 43 of schedule A1 to the Insolvency Act 1986 nothing in this Deed shall provide for:

- (a) the obtaining of a moratorium in respect of the Chargor pursuant to section 1A of the Insolvency Act 1986; or
- (b) anything done with a view to obtaining such a moratorium,

to be an event causing the floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to being imposed on the disposal of property by the Chargor or a ground for the appointment of a Receiver.

5.2 Further assurance

The Chargor shall execute and do at its own cost and in such form as is reasonably required by the Security Agent:

- (a) such further additional mortgages, charges, assignments, transfers and conveyances; and
- (b) such assurances, deeds, documents, acts and things,

as the Security Agent may reasonably require to perfect or protect the security created by this Deed and/or to facilitate or effect any dealing with the Charged Assets in connection with this Deed.

5.3 Notices

5.3.1 Save where notice has already been served in connection with the Finance Documents, if the Security Agent so requests, the Chargor shall serve a notice in respect of any Charged Asset (excluding any notice to a tenant in respect of any Occupational Lease) in the form set out in:

- (a) Schedule 3, Part 1 (*Notice of assignment or charge of contract*) in respect of contracts; and
- (b) Schedule 3, Part 2 (*Notice of account assignment*) in respect of Accounts assigned pursuant to Clause 3.4(d).

5.3.2 The Chargor shall use all reasonable endeavours to procure that the party to whom a notice served pursuant to Clause 5.3.1 is addressed completes and returns to the Security Agent an acknowledgement in the form of Part B of the relevant notice.

5.3.3 To the extent that the Security Agent is the same entity as the Account Bank and the counterparty to any Hedging Agreement it acknowledges that this Deed constitutes notice to it of the charge over the Accounts under Clause 3.3 (*Fixed charge*) which are held with it and the charge of any Hedging Agreement under Clause 3.3 (*Fixed charge*) to which it is the counterparty.

- 5.3.4 The Chargor shall deliver to the Security Agent an undated notice in respect of each Headlease in the form set out in Schedule 3, Part 1 (*Notice of assignment or charge of contract*) addressed to the occupational tenants under each Headlease.
- 5.3.5 The Chargor shall deliver to the Security Agent the notices referred to in Clause 5.3.4 above:
- (a) in the case of a Headlease subsisting at the date of this Deed, on or prior to the date of this Deed; and
 - (b) in the case of an Headlease coming into existence after the date of this Deed, upon the Chargor entering into such Headlease.
- 5.3.6 The Security Agent shall not serve the notices referred to in Clause 5.3.4 above until the occurrence of an Event of Default which is continuing.
- 5.3.7 The Chargor shall use all reasonable endeavours to procure that the party to whom a notice is served pursuant to Clause 5.3.5 is addressed completes and returns to the Security Agent an acknowledgement in the form of Part B of the relevant notice.

5.4 **Restriction**

- 5.4.1 The Chargor authorises the Security Agent to make an application on Form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction against the relevant registered estate:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of HSBC Bank plc referred to in the Charges Register (or its conveyancer)."

- 5.4.2 The Chargor authorises the Security Agent to apply to the Land Registry to enter the obligation to make further advances on the charges register of the relevant registered estate.

6 **INVESTMENTS**

6.1 **Investment title documentation**

Upon execution of this Deed (or immediately upon the acquisition of the relevant Investment if that acquisition follows the date of this Deed) and notwithstanding any other term of the Finance Documents, the Chargor will deposit with the Security Agent in respect of each Investment:

- (a) all certificates, warrants or other documents of title;
- (b) duly executed undated blank stock transfer forms; and
- (c) forms of waiver of any pre-emption rights and any other documents, consents and monies necessary to enable such transfers to be registered by the Security Agent.

6.2 **Voting prior to a Default**

Prior to a Default which is continuing, the Chargor may continue to exercise all voting and other rights (including the right to collect dividends, interest, principal or other payments of money) relating to the Investments provided that such rights are not exercised in a way which (and the Chargor shall not permit anything which):

- (a) jeopardises the security constituted by the Finance Documents;
- (b) varies the rights attaching to the Investments; or
- (c) relates to a participation in a rights issue or to receiving dividends other than in cash or concerns a merger, consolidation, allotment of shares, change to constitutional documents, transfer of ownership (legal or beneficial), insolvency or matters which would otherwise be prohibited by the Finance Documents.

6.3 Voting after a Default

- 6.3.1 Following a Default which is continuing, the Security Agent may (without notice to or consent from the Chargor and in the Chargor's name or otherwise) exercise any rights (including the right to collect dividends, interest, principal or other payments of money but excluding the right to vote) in respect of the Investments and may do anything necessary to complete any transfer form in favour of itself or otherwise.
- 6.3.2 Following a Default which is continuing and the service of notice upon the Chargor, the Security Agent may (without consent from the Chargor and in the Chargor's name or otherwise) exercise any right to vote in respect of the Investments.

6.4 Obligations

The Chargor shall promptly pay all calls, costs and/or other payments in respect of the Investments and shall give to the Agent and the Security Agent, at the time of issue, copies of all information, offers, notices or other materials supplied to the members of the issuers of the Investments and shall advise the Agent and the Security Agent promptly of any material occurrence affecting the Investments or any other part of the security granted to the Security Agent and shall give to the Agent and the Security Agent such information as they may reasonably require relating to the Investments.

7 NEGATIVE PLEDGE

- 7.1 The Chargor shall not create or permit to subsist any Security over any of its assets.
- 7.2 Clause 7.1 does not apply to any Permitted Security.

8 RIGHTS OF ENFORCEMENT

8.1 Enforcement

- 8.1.1 The Secured Liabilities shall be deemed to have become due for the purposes of section 101 of the Act immediately upon the date of this Deed.
- 8.1.2 The enforcement powers of the Security Agent in connection with this Deed shall be immediately exercisable:
 - (a) upon an Event of Default; or
 - (b) at the Security Agent's discretion, at the request of the Chargor.
- 8.1.3 The restrictions imposed by section 103 of the Act shall not apply to the security created by this Deed.
- 8.1.4 In addition to all other protection afforded by statute, every purchaser (as defined by section 205 of the Act) or other party dealing with the Security Agent or any

Receiver shall be entitled to assume without enquiry that an Event of Default has occurred, that the Secured Liabilities are outstanding and have become due and that the floating charge created by this Deed has crystallised.

8.2 Security Agent's and Receiver's powers and rights

8.2.1 The Security Agent shall have the power:

- (a) to appoint a Receiver of the whole or any part of the Charged Assets and (so far as the law allows) to remove and/or substitute any such appointee;
- (b) to appropriate any Charged Assets in accordance with Clause 8.3 (*Right of appropriation*); and
- (c) if this Deed contains a qualifying floating charge for the purposes of the Insolvency Act 1986, to appoint an administrator of the Chargor, and paragraph 14 of schedule B1 of the Insolvency Act 1986 shall apply to this Deed.

8.2.2 The Security Agent (without becoming a mortgagee in possession) and/or any Receiver (without personal liability) shall have the power to exercise:

- (a) all statutory and other powers and rights (including the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act 1986 whether or not the Security Agent and/or any Receiver is an administrative receiver); and
- (b) the powers and rights specified in Schedule 2 (*Security Agent's and Receiver's powers*),

and may exercise them in the name of the Chargor and in such manner and on such terms as the person exercising them shall in its sole absolute discretion consider appropriate.

8.3 Right of appropriation

To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under it constitute a "financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Security Agent shall have the right to appropriate all or any part of it in or towards discharge of the Secured Liabilities and transfer title in and to it to the Security Agent. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the Fair Market Value of those Investments, it being understood that such valuation of the Investments may be carried either before or as soon as practicable after their appropriation.

In each case, the Parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

8.4 Receiver as agent

So far as the law allows, a Receiver shall be the agent of the Chargor, who shall be solely liable for his acts, defaults and remuneration, but the Security Agent shall be entitled to agree the fees and expenses of and the mode of payment to the Receiver.

8.5 Further powers

If the Chargor defaults in the observance and performance of any obligation to the Security Agent, the Security Agent or its agents (without any of them becoming a mortgagee in possession) may at any time (but shall not be obliged to) do such things as it considers necessary to remedy the default.

8.6 Power of attorney

8.6.1 The Chargor by way of security irrevocably appoints the Security Agent and every Receiver jointly and severally to be its attorney (with full power of substitution) in its name and on its behalf to execute and deliver any documents and do or perfect anything which the Security Agent and/or the Receiver shall consider appropriate (and which the Chargor has not done within 2 Business Days of being requested to do so) for perfecting, maintaining, preserving, enhancing or enforcing the security created by this Deed and/or the value of any of the Charged Assets and/or for the purpose of enforcing the performance of the Chargor's obligations in connection with this Deed.

8.6.2 The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of its powers.

9 APPLICATION OF RECEIPTS

9.1 Priority of payment

Subject to sums secured by charges having priority to the charges created by this Deed, all monies received by the Security Agent and/or any Receiver in the enforcement of this Deed shall (subject as follows) be applied in the following order, in payment:

- (a) **firstly**, of all fees, costs, charges, taxes, liabilities and expenses in relation to any enforcement of this Deed (including in relation to any Receiver whether on its own behalf or on behalf of the Chargor or otherwise);
- (b) **secondly**, (in so far as not contemplated by Clause 9.1(a)) of all fees, costs, charges, taxes, liabilities and expenses and other sums of the Security Agent (in its capacity as trustee) in relation to the Finance Documents; and
- (c) **finally**, to the Agent for distribution in accordance with the Facility Agreement.

9.2 Crediting to suspense account

The Security Agent or any Receiver may credit any monies received from the enforcement of this Deed to any suspense account in any manner and for such period as the Security Agent or that Receiver thinks fit.

10 DISCHARGE

10.1 If the Security Agent is satisfied that the Secured Liabilities have been unconditionally and irrevocably paid, repaid and discharged in full, the Security Agent will, at the request and cost of the Chargor, discharge this Deed.

- 10.2 No discharge will be of any effect if any security or payment given or made in respect of the Secured Liabilities is rescinded, avoided, reduced or invalidated whether in respect of any insolvency or otherwise.
- 11 **GENERAL PROVISIONS**
- 11.1 **Trust provisions**
- The covenants, undertakings and representations made by the Chargor under this Deed are made in favour of the Security Agent as Security Agent for the Secured Parties.
- 11.2 **Immediate recourse**
- It shall not be necessary for the Security Agent before taking any enforcement under this Deed to enforce or seek to enforce any guarantee or other security or other rights whether from or against the Chargor or any other person.
- 11.3 **Exercise of powers and liability**
- 11.3.1 This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Agent of any other security at any time held by the Security Agent.
- 11.3.2 The Security Agent may, at any time after this Deed has become enforceable, redeem or transfer to itself any prior Security against the Charged Assets and may settle and pay the accounts of the prior chargee (which shall be binding on the Chargor). All principal monies, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be paid by the Chargor to the Security Agent on demand.
- 11.3.3 None of the provisions of this Deed shall be deemed to impose on the Secured Parties or imply on their part any obligation or other liability in relation to the Charged Assets.
- 11.4 **Tacking**
- Each Finance Party must perform its obligations under the Facility Agreement (including any obligation to make further advances).
- 11.5 **New Accounts**
- On receiving notice that the whole or any part of the Charged Assets has been encumbered by any Security or disposed of:
- (a) a Secured Party may close the Chargor's then subsisting account and open a new account with the Chargor, and (unless the relevant Secured Party gives the Chargor written notice otherwise) shall be deemed to have done so;
 - (b) all payments made to a Secured Party after that date will be credited (or be treated as having been credited) to the new account; and
 - (c) no money credited or treated as credited to the new account shall reduce the Secured Liabilities.
- 11.6 **Consolidation**

The restriction on the right of consolidating mortgage securities contained in section 93 of the Act shall not apply to the security created by this Deed.

11.7 Rights of third parties

11.7.1 Unless the right of enforcement is expressly granted, it is not intended that a third party should have the right to enforce a provision of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.

11.7.2 The Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of a third party to whom an express right to enforce any of its terms has been provided.

11.8 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

11.9 Counterparts

This Deed may be executed in any number of counterparts. This shall have the same effect as if the signatures on the counterparts were on a single copy of this Deed.

12 LAW AND JURISDICTION

12.1 Governing law

This Deed and any non-contractual obligations arising out of or in relation to this Deed shall be governed by English law.

12.2 Jurisdiction of English courts

12.2.1 The courts of England have exclusive jurisdiction to settle any dispute, including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with this Deed (a "**Dispute**").

12.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

12.2.3 This Clause 12.2 (*Jurisdiction of English courts*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed and delivered on the date stated at the beginning of this Deed.

Schedule 1
The Property

None

Schedule 2
Security Agent's and Receiver's powers

1 Conduct of business

(a) Carry on business

To carry on, manage, develop, reconstruct, amalgamate, diversify and/or conduct the business of the Chargor in all respects and for such purpose to:

- (i) enter upon and take possession, get in, collect or otherwise assume control in respect of all or any of the Charged Assets; and/or
- (ii) acquire any property, chattels, plant, machinery and materials.

(b) Formation of companies

To promote the formation of companies with a view to the same purchasing, leasing, licensing or otherwise acquiring any of the Charged Assets and to arrange for such companies to trade or cease to trade in all cases.

(c) Compromise claims

To compromise any claim relating to the Charged Assets.

(d) Borrowing and advancing

To borrow, raise or advance money whether or not in priority to the Secured Liabilities and with or without security.

(e) VAT

To assume and exercise all or any of the power and rights conferred on the Chargor in respect of its value added tax status, liabilities, advantages or arrangements.

(f) Employees

To:

- (i) enter into, adopt and/or terminate any contract of employment; and
- (ii) employ solicitors, architects, surveyors, quantity surveyors, estate agents, contractors, builders, workmen, stockbrokers and others.

2 Dealing with the Chargor's assets

(a) Possession

To enter upon and take possession of, get in, use and/or collect any Charged Asset.

(b) Payments

To pay any rent or other outgoings and payments charged on or otherwise relating to the Charged Assets or their ownership, occupation or use.

- (c) **Receipts**
To give receipts and releases for any sums received.
- (d) **Carry on works**
To undertake any works, demolition, building, reconstruction, improvement, repair or decoration in respect of any of the Charged Assets which consist of property, buildings, structures, plant, machinery or equipment as it thinks fit and whether or not in accordance with any obligations imposed by the Facility Agreement.
- (e) **Assumption of rights**
To assume, exercise, cancel and/or vary all or any of the powers and rights conferred on the Chargor under any Charged Asset.
- (f) **Insurance**
To effect insurances on such terms as it thinks fit.
- (g) **Planning permissions and consents**
To obtain all necessary planning permissions, building regulation approvals and other permissions, consents or licences in relation to any development or use of the Charged Assets.
- (h) **Acquisition of property**
To acquire any adjoining property and/or easements, interests or estates in property and to grant easements and rights.
- (i) **Negotiation**
To negotiate and conclude reviews of rent and otherwise deal in relation to the Occupational Leases and the tenants' and guarantors' respective obligations under them.

3 Disposals

- (a) **Selling**
To sell or otherwise realise and deal with, and transfer title to, the Charged Assets, in return for such consideration as it thinks fit and whether or not:
 - (i) for immediate or deferred consideration;
 - (ii) in return for a single payment or instalments; and
 - (iii) for consideration wholly or partly in cash, property or securities in whatever form,
 and in all cases the terms of which shall bind any subsequent mortgagee.
- (b) **Leasing**
To grant, create or surrender any lease, tenancy, licence or other agreement relating to the disposal of or other dealing with the Charged Assets on such terms as it thinks fit and:

- (i) with or without any rent , review of rent, fine or premium; and
 - (ii) whether absolutely or for a term,
- and in all cases the terms of which shall bind any subsequent mortgagee.

4 **General**

(a) **General powers**

To do or abstain from doing all such things as it considers necessary or desirable for perfecting, maintaining preserving or enhancing the value of any of the Charged Assets or for or in connection with the enforcement of the security charges created by this Deed or the realisation of any of the Charged Assets, whether or not in accordance with the Facility Agreement, including:

- (i) executing, delivering and completing all or any deeds or other documents;
- (ii) using the name of the Chargor in connection with any of the purposes in this Schedule 2 (*Security Agent's and Receiver's powers*);
- (iii) commencing, carrying out and completing any acts, matters, proceedings in relation to any Charged Asset as if it were the sole and absolute beneficial owner of the Charged Assets; and
- (iv) obtaining, entering into and maintaining any bonds, covenants, commitments, engagements, guarantees and indemnities or other like arrangements.

(b) **General**

All its powers and discretions under this Deed shall be:

- (i) exercisable on such terms and conditions and otherwise as it may think fit, and
- (ii) as if it were the absolute and beneficial owner.

Schedule 3

Notices

Part 1

Notice of assignment or charge of contract

Part A

From: THOMAS STREET BUSINESS CENTRE LIMITED a company incorporated in England & Wales (registered number 08093359) (the "**Chargor**")

To: [Details of Party to Contract]

Date: [●]

Dear Sirs

[Description of Relevant Document] (the "Contract")

We refer to:

- (a) the Contract; and
- (b) [debenture] (the "**Security Deed**") dated [●] made between [●] (the "**Security Agent**") (1) and [●] and the Chargor (2).

We give you notice that pursuant to the Security Deed, we have [charged/assigned] all of our present and future right, title, interest and benefit in, under and to the Contract (including all [monies] [rent] payable to us under the Contract) to the Security Agent.

We irrevocably and unconditionally instruct and authorise you:

- (a) to make all payments in connection with the Contract as the Security Agent may direct. Until you are notified otherwise by the Security Agent, the Security Agent directs such sums to be paid to [insert Chargor bank details];
- (b) that all our rights in connection with the Contract are exercisable by (or with the consent of) the Security Agent. Until you are notified otherwise by the Security Agent, the Security Agent directs that all such rights powers, discretions and remedies shall continue to be exercisable by us; and
- (c) to disclose any information relating to the Contract which the Security Agent may from time to time request.

No amendment, waiver or release of any right or obligation in connection with the Contract and no termination or rescission of the Contract by us shall be effective without the prior written consent of the Security Agent and in any event no such termination or rescission shall be effective unless you have given notice to the Security Agent.

Notwithstanding anything in this notice or otherwise we (and not the Security Agent nor its appointees) shall be liable under the Contract to perform all the obligations assumed by us under it.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

This letter shall be governed by and construed in accordance with the laws of England.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent.

Signed

For and on behalf of the Chargor

Receipt of notice of assignment or charge of Contract

Part B

From: [Details of party to Contract]

To: Security Agent
[Address]

For the attention of [●]

Date: [●]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice, and further confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Contract; and
- (b) we agree and will comply with the matters set out in that notice.

Signed
For and on behalf of [●]

Part 2
Notice of account assignment
Part A

From: THOMAS STREET BUSINESS CENTRE LIMITED a company incorporated in England & Wales (registered number 08093359) (the "**Chargor**")

To: [Details of provider of the relevant Account]

Date:[•]

Dear Sirs

[Description of relevant Account] (the "Account")

We refer to the:

- (a) the Account (which expression shall include all monies standing to the credit of such account now or in the future);
- (b) a [debenture] (the "**Security Deed**") dated [•] made between [•] (the "**Security Agent**") (1) and [•] and the Chargor (2).

We give you notice that pursuant to the Security Deed, all of our present and future right, title, interest and benefit in, under and to the Account were assigned to the Security Agent.

We irrevocably and unconditionally instruct and authorise you:

- (a) [following notification by the Security Agent]¹ not to release any monies from the Account without the prior written consent of the Security Agent;
- (b) [following notification by the Security Agent]² that all our rights in connection with the Account are exercisable by (or with the consent of) the Security Agent; and
- (c) to disclose any information relating to the Account which the Security Agent may from time to time request.

By countersigning this letter you confirm that:

- (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against us or the Security Agent in respect of the Account; and
- (b) no amendment, waiver or release of any right or obligation in connection with the Account and no termination or rescission of the Account by us shall be effective without the prior written consent of the Security Agent and in any event no such termination or rescission shall be effective unless you have given notice to the Security Agent.

¹ The wording in brackets to be included only for the General Account

² The wording in brackets to be included only for the General Account

Notwithstanding anything in this notice or otherwise we (and not the Security Agent nor its appointees) shall be liable to perform all the obligations assumed by us in respect of the Account.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

This letter shall be governed by and construed in accordance with the laws of England.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent.

Signed

For and on behalf of the Chargor

Receipt of notice of account assignment

Part B

From: [Details of provider of the relevant Account]

To: Security Agent

[Address]

For the attention of [●]

Date: [●]

[Description of relevant Account]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Account; and
- (b) we agree and will comply with the matters set out in that notice.

Signed
For and on behalf of [●]

EXECUTION PAGE

Chargor

EXECUTED as a DEED by
THOMAS STREET BUSINESS CENTRE LIMITED
acting by a director in the presence of:

)

Director

Signature of witness

LAURA DEMAINE

Name of witness

WALKER MORRIS LLP
KINGS COURT
12 KING STREET

Address of witness

LEEDS
LS1 2HL

Solicitor

Occupation of witness

Security Agent

SIGNED for and on behalf of

)

HSBC BANK PLC

)

Communications to the Lender are to be delivered to:

Address: Corporate Banking Real Estate, 70 Pall Mall, London, SW1Y 5EZ

For the attention of: Jason Briggs

EXECUTION PAGE

Chargor

EXECUTED as a DEED by
THOMAS STREET BUSINESS CENTRE LIMITED
acting by a director in the presence of:

)

)

.....
Director

Signature of witness

Name of witness

Address of witness

Occupation of witness

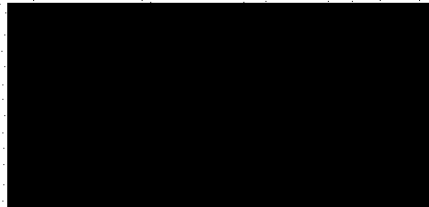
Security Agent

SIGNED for and on behalf of

)

HSBC BANK PLC

)



Communications to the Lender are to be delivered to:

Address: Corporate Banking Real Estate, 70 Pall Mall, London, SW1Y 5EZ

For the attention of: Jason Briggs